Saint Paul Planning Commission City Hall Conference Center 15 Kellogg Boulevard West

Minutes October 8, 2010

A meeting of the Planning Commission of the City of Saint Paul was held Friday, October 8, 2010, at 8:30 a.m. in the Conference Center of City Hall.

Commissioners

Present:

Mmes. Donnelly-Cohen, Merrigan, Porter, Thao, Wang, Wencl, Young; and Messrs. Alton, Commers, Connolly, Fernandez, Gelgelu, Kramer, Nelson, and

Ward.

Commissioners

Absent:

Ms. *Halverson, and Messrs. *Schertler, and *Spaulding.

*Excused

Also Present:

Donna Drummond, Planning Director; Nancy Homans, Mayor's Office, Allan Torstenson, Patricia James, Sarah Zorn, and Sonja Butler, Department of Planning and Economic Development staff.

I. Approval of minutes September 24, 2010.

<u>MOTION</u>: Commissioner Wencl moved approval of the minutes of September 24, 2010. Commissioner Thao seconded the motion. The motion carried unanimously on a voice vote.

II. Chair's Announcements

Chair Donnelly-Cohen announced that she will be appointing a nominating committee to make a recommendation for second vice chair to replace the slot that Kristina Smitten vacated. A recommendation will be back to the Planning Commission for a vote in two weeks, October 22.

III. Planning Director's Announcements

Donna Drummond announced the start of the upcoming cycle for the Capital Improvement Budgeting. The City runs on a two (2) year capital budgeting cycle and the Office of Financial Services has announced the upcoming cycle. January 10, 2011, is the deadline for any business councils, neighborhood organizations, and any city department to make a submission for their capital improvement projects so they can be considered in this next cycle. This process runs throughout next year and the final decisions are made at the end of 2011 for the 2012-2013 budgeting cycle. For more information contact Ms. Drummond and she will forward the link to CIB process information.

On October 20, 2010, at City Council there will be public hearings for adoption of the GIS Zoning map and the currency exchange zoning amendments that were recommended by the Planning Commission.

IV. Zoning Committee

SITE PLAN REVIEW – List of current applications. (Tom Beach, 651/266-9086)

One item to come before the Site Plan Review Committee on Tuesday, October 12, 2010, is the Union Depot Transit Hub located at 230 Kellogg Blvd East, for improvements to the existing depot complex to serve as an intermodal transit center.

Two items will come before the Site Plan Review Committee on Tuesday, October 19, 2010: 1) Hartnett parking lot, 2242 University Avenue West, partial dock demo for additional parking, and 2) Meridian Industrial Center, 620 Pelham Blvd., a new 68,000 sq. ft. industrial building.

NO BUSINESS

Commissioner Kramer announced the items on the agenda for the next Zoning Committee meeting on Thursday, October 14, 2010.

V. <u>Ready for Rail</u> – Informational presentation about resources available for businesses to prepare for light rail construction by Nancy Homans, Policy Director, Mayor Coleman's Office.

Nancy Homans, Policy Director, Mayor's Office, talked about efforts to support small businesses on University Avenue as we get ready for construction of the Central Corridor Light Rail Line. The Business Resources Collaborative, formed about a year and a half ago, includes chambers of commerce and business associations from both cities as well as a number of the CDC's on the avenue. Another group, the University Avenue Business Preparation Collaborative (U7), is the CDC's on the corridor. Planning Commissioner Marilyn Porter provides support for U7. They provide specific financial and marketing support for small businesses. U7 has been meeting every two weeks for over a year and a half to coordinate and put together resources to support small businesses, to help businesses prepare for the impact of light rail, get through the construction period, and take advantage of the benefits of light rail into the future.

Preparation for construction is the responsibility of our partners at the Metropolitan Council. Part of the federal and state funding for this is supporting outreach workers on the corridor to maintain communication between the contractors, the project office and the businesses. They've been working for four years to build relationships with the businesses along the line so that those are in place to help us with the day-to-day challenges of construction. There are specific guidelines in the contracts with the contractors with respect to how communication is going to happen during construction. A construction hot line, (651) 602-1404, is answered 24 hours a day.

Major LRT construction in Saint Paul will begin in March 2011 on the western end of University Avenue from the city boarder to about Hamline Avenue. That end was intentionally picked first because there are not as many small businesses and it would give small businesses on the east end another year to prepare and pull out of the recession before construction happens. Construction on the eastern end will begin in 2012. Downtown construction will start this year and next year on Cedar Street, finishing on Fourth Street. In 2013 they will be doing a lot of the systems work in the middle of the street, testing in 2014, with operation beginning in the third quarter of 2014.

A brochure with information and phone numbers for available resources is being hand-delivered to businesses. There are three levels of resources available to businesses: 1) the outreach

coordinators, business consultants and business organizations; 2) the Ready for Rail web site; and 3) the beginnings of a small business loan program with \$1.5 million from the Metropolitan Council and Central Corridor Funders Collaborative. If a business has done all the preparation asked and met with their business consultant and they still run into difficulty during construction, there will be up to \$10,000 in zero interest loans made available.

Ms. Homans said that there are people who are working with businesses individually to beef up their marketing. The businesses will be marketing themselves and we will be organizing the community to support University Avenue businesses. We are telling businesses that now is the time to get ready. LRT is coming quickly. There will be 44,000 people a day going by the front of the stores and stopping at the stations, which is a good thing.

Commissioner Porter added that about a year ago the businesses didn't seem as engaged because light rail wasn't as imminent. Now that it is upon them U7 is getting a lot of calls. It has been great to have all of the collaborative partners because if they don't the answer to a particular question they have all these partners to go to. Questions run the gamut: not just about marketing, but also questions about zoning and other issues.

Commissioner Thao asked about post construction, sustaining businesses after the LRT is in.

Ms. Homans said that people have been primarily focused on getting through construction. But certainly both cities are driving towards a long term economic development plan for University Avenue. One of the challenges is that University Avenue is actually many places, so there are a number of different initiatives underway. The Asian Economic Development Association is spear-heading the world cultural heritage district for example, to take advantage of the unique ethnic resources of that portion of the corridor. If a business does not think that they belong on University Avenue because they are nervous about construction or they don't think of themselves as a transit-oriented business, we will work with them to find another location in Saint Paul.

VI. Comprehensive Planning Committee

<u>Central Corridor/Traditional Neighborhood Zoning Study</u> – Release recommendations for public review and set public hearings for November 19, 2010 (text changes) and December 3, 2010 (property rezonings). (Donna Drummond, 651/266-6556, and Sarah Zorn, 651/266-6570)

Donna Drummond, Planning Director, said that the direction for the study came from the *Central Corridor Development Strategy* (CCDS) and station area plans that have already been adopted by the Mayor and City Council based on Planning Commission recommendations. The existing zoning along University Avenue, primarily B3 and B2, does not facilitate the type of development envisioned in the plans. The plans call for higher density, more pedestrian- and transit-oriented development, with less surface parking. The traditional neighborhood zoning districts are the best fit for achieving the vision. Using a PowerPoint presentation, Ms. Drummond showed a map from the development strategy pointing out the area of change that has been identified as where to encourage redevelopment in response to LRT investment. The station area plans have more detailed analysis around each of the LRT stations. They looked in detail at how each station area should grow and change in terms of building form, new parks and open spaces, movement within the station area for pedestrians, bicycles and automobiles, and how to get to the station from adjacent neighborhoods.

A second study purpose is to update the Traditional Neighborhood zoning district regulations, which were added to the zoning code in 2004, based on our six years of experience with how they have worked.

The study is being done in two steps. The first step is to look at the text of the zoning code to consider what changes are needed to update the code and provide the zoning necessary for the type of development envisioned along University Avenue. The second step is to evaluate properties along University Avenue for rezoning. The committee is recommending that the Planning Commission hold public hearings on November 19, 2010 for the text changes and on December 3, 2010 for the property rezonings. The commission then should be ready to forward recommendations to the Mayor and City Council in the spring for adoption in April 2011.

Sarah Zorn, PED staff, highlighted some of the key Central Corridor/Traditional Neighborhood District zoning recommendations and compared them to the existing Central Corridor Overlay District and underlying zoning in the corridor. The overlay district requires a two story minimum height. The T3 and proposed new T4 districts would have a minimum height of 25 feet. The T2 district does not have a minimum height requirement. Most of University Avenue is currently zoned B3, which allows a maximum building height of 30 ft. (plus setbacks). T2 allows 35 ft. (plus setbacks), T3 allows 45-55 ft., and more height is allowed with a conditional use permit. The new T4 district would allow a maximum building height of 75 ft., with more height allowed with a conditional use permit.

The existing overlay requires a minimum 1.0 FAR (Floor Area Ratio) in LRT station areas and 0.5 FAR outside of station areas. Proposed for T2 is a minimum 0.5 FAR in LRT station areas and 0.3 FAR elsewhere. T3 & T4 would have a minimum 1.0 FAR in LRT station areas over 25,000 sq. ft.; and 0.5 FAR for sites under 25,000 sq. ft. or outside station areas.

The proposed amendments include options for eliminating minimum parking requirements in station areas or in traditional neighborhood districts in station areas.

Currently the overlay prohibits new auto-oriented uses. The proposed amendments add auto service stations as a conditional use in T2. All new auto uses would be prohibited in TN4. The proposed amendments also add auto service stations, auto repair and auto body shops as conditional uses in the IR district near University Avenue.

Ms. Zorn noted that the study included looking at inclusionary zoning, something that can work best in markets that have much stronger demand. St. Paul currently has policies in place that set a goal of 30% of new housing units to be affordable citywide, and require a percentage of affordable units for housing projects with city financing.

An analysis was done of all the uses on the corridor, looking at what specific current uses would become nonconforming under proposed zoning for the corridor. Uses on 72% of corridor land area would remain conforming, and uses on 22% of the land area would be completely or partially nonconforming.

Ms. Drummond noted that an additional amendment regarding malt liquor production had been handed out for the Planning Commission to consider including in the draft zoning amendments to be released for public review.

Patricia James, PED staff, explained that zoning staff had met with a couple interested in opening a very small scale (in the neighborhood of twenty five hundred barrels a year) brewing operation on University Avenue, and selling growlers directly to the public. The zoning code currently has two levels of breweries: *micro and regional breweries* can brew up to one million barrels a year, and *national breweries* can brew more than one million barrels a year. The code also has a use titled *malt liquor manufacturing* that is associated with a brew on premises store. The draft amendment would delete requirement for *malt liquor production* to be associated with a brew on premises store, limit production to fewer than 5,000 barrels a year, and not allow sale to customers for consumption on the site where it is manufactured.

Commissioner Kramer moved to include this in the draft amendments for public review. Commissioner Ward seconded the motion.

Commissioner Alton asked how much industrial property is being down zoned.

Ms. Drummond said that is a concern of the Midway Chamber and the Port Authority. The proposed rezoning is based on what is called for in the station area plans adopted by the City Council. She showed a slide with a chart summarizing existing and proposed zoning by parcel and use, showing the number and area of properties where the existing use would become nonconforming and where the use would stay conforming.

Commissioner Fernandez wanted clarification regarding parking requirements in station areas.

Ms. Drummond said the draft amendment would eliminate the minimum parking requirement in LRT station areas. That does not mean people can't provide parking; rather, it means that it would be up to the developer, property owner, or business owner to decide how much parking is needed.

Commissioner Connolly asked about how the zoning changes might affect land values.

Ms. Drummond said there has been some University of Minnesota research about residential land values along Hiawatha in response to the LRT. In general they found an uptick in value for residential properties that are adjacent to LRT along Hiawatha. We have looked at studies nationwide that have attempted to measure changes in property values and found them to be all over the map because there are so many factors that affect property value. With the complex factors affecting land values we're not sure what the impact will be along the Central Corridor.

Commissioner Merrigan asked about the meaning of "immediately adjacent" with respect to drive-thru's near LRT stations. Ms. Drummond explained that drive-thru sales and services would continue to be a conditional use in T2 zones with the added condition that they are prohibited along the block face where there is a LRT platform. Drive-thru's can create hazards in intense pedestrian areas. New drive-thru's would not be permitted in T3 and T4.

MOTION: On behalf of the Comprehensive Planning Committee, Commissioner Commers moved to release the draft for public review with the added amendment and set public hearings for November 19, 2010 (text changes) and December 3, 2010 (property rezonings). Commissioner Merrigan seconded the motion. The motion carried unanimously on a voice vote.

VII. Neighborhood Planning Committee

Commissioner Kramer announced that the next Neighborhood Planning Committee meeting on Wednesday, October 13, 2010 has been cancelled.

VIII. Transportation Committee

Chair Donnelly-Cohen announced that the next Transportation Committee meeting is on Monday, October 11, 2010.

IX. Communications Committee

No report.

X. Task Force Reports

No report.

XI. Old Business

None

XII. New Business

None

XIII. Adjournment

Meeting adjourned at 10:08 a.m.

Recorded and prepared by Sonja Butler, Planning Commission Secretary Planning and Economic Development Department, City of Saint Paul

Respectfully submitted,

Donna Drummond

Planning Director

Approved

Marilyn Porter

Secretary of the Planning Commission